

## REMARKS/ARGUMENTS

The Examiner withdrew all previous rejections under 35 U.S.C. §§102(e) and 103. The Examiner now rejects all pending claims 1-52 under §103 in view of combinations of prior art references, each combination including a new reference, i.e., U.S. Patent No. 6,679,399 of Phillips et al. ("Phillips"). Specifically, the Examiner rejected claims 1-3, 5-11, 13-24, 26-30, 32-39, 41-46 and 48-52 under 35 U.S.C. §103(a) as being unpatentable over U.S. Patent No. 6,321,205 of Eder ("Eder") in view of Phillips, and rejected claims 4, 12, 25, 31, 40 and 47 under §103(a), as being unpatentable over Eder in view of Phillips and U.S. Patent No. 6,456,982 of Pilipovic ("Pilipovic").

The Examiner's rejections should be withdrawn for the following independent reasons: 1) they are all based on the incorrect assertion that Eder discloses determining the present value of a future financial value stream of a business enterprise; 2) they are all based on the incorrect assertion that Eder discloses a data structure including one or more assumed variables that have an influence on one or more future financial value streams of a business enterprise; and 3) Phillips fails to disclose any limitations missing from Eder and Pilopovic, and the Examiner has not cited any objective evidence on record of a motivation to combine Eder with Phillips (and/or Pilopovic) in the proposed manner.

The failure of Eder to teach limitations related to reasons 1) and 2) has been discussed and rebutted in great detail in prior amendments and responses, all of which are incorporated herein by reference. Each of the independent claims includes limitations relating to:

1. determining a present value of a *future financial value stream*; and
2. developing a data structure where assumed variables that have an influence on the future financial value streams are influenced by *future or past events*.

The Examiner has not cited any evidence that suggests that Eder discloses either of these features.

Particularly, the claimed inventions all include limitations regarding the analysis of future financial *value streams*.<sup>1</sup> Eder does not determine the value of individual future financial value streams of a business enterprise, but rather focuses on determining the overall worth of a business enterprise at a point in time. The Examiner has not cited any substantial evidence that shows otherwise.

Furthermore, each independent claim includes a limitation reciting a data structure that includes one or more assumed variables that have an influence on one or more future financial value streams of the business enterprise. Each assumed variable is linked to one or more past or future events that have or are expected to influence the related assumption. No such data structure exists in Eder, and the concept of “events” linked to assumed variables is entirely absent from Eder. Again, the Examiner has failed to cite any evidence that shows otherwise. In fact, the Examiner now concedes that “Eder does not explicitly disclose data indicating the occurrence or non-occurrence of one or more of the future events.”

Because these points are thoroughly discussed in earlier amendments and responses that are incorporated by reference, the present response will focus on the new Phillips reference cited by the Examiner.

*Phillips fails to disclose modeling future value streams of a business enterprise based on the occurrence or non-occurrence of “events.”*

All of the claimed inventions recite a unique relationship between future financial value streams and events. In the claimed inventions, each assumption (or “assumed

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<sup>1</sup> See, for example and without limitation, Claim 1: “determining, by use of a computer system, a first present value of the future financial value stream of the business enterprise...”; Claim 9: “determining, by use of a computer system, a present value of each future financial value stream...”; Claim 17: “determining, by use of a computer system, a first present value of the future financial value stream of the business enterprise...”; Claim 21: “determining, by use of a computer system, a present value of the future financial value stream of the business enterprise...”; Claim 29: “determining, by use of a computer system, a first present value of the future financial value stream of the business enterprise...”; Claim 37: “determining, by use of a computer system, a present value of the future financial value stream of the business enterprise...”; Claim 44: “determining, by use of a computer system, a first present value of the future financial value stream of the business enterprise...”

variable”) that is used to calculate a value stream is tied to one or more past or future events. The present invention may be described as being “event-driven,” in that each assumption is linked to one or more past or projected events that have or are expected to influence the related assumption.<sup>2</sup> A key aspect of the analysis provided by the present invention is how the occurrence or non-occurrence of events changes the expected benefits associated with a value stream.

The Examiner has now conceded that Eder does not disclose data indicating the occurrence or non-occurrence of future events. The Examiner, however, has suggested that this feature is somehow disclosed by Phillips. Particularly, the Examiner states that “it would have been obvious to modify the disclosure of Eder and include the occurrence or non-occurrence of one or more future events, as disclosed by Phillips, to analyze the impact of events on the future value of the corporation or commodity.” The Examiner’s conclusion is incorrect because Phillips does not disclose analyzing the impact of events on future financial value streams of a business enterprise. Additionally, the Examiner has not cited any objective evidence on record of a motivation to combine Eder with Phillips (and/or Pilopovic) in the proposed manner.

The Phillips patent relates to forecasting based on clusterization of forecasters into groups based on their predictions. This has no relevance to the claimed inventions, and in particular, to analyzing the impact of events on future financial value streams of a business enterprise. The Examiner’s analysis of Phillips confuses the fundamental difference between a “prediction” and an “assumption,” and is further based on a clear misunderstanding of the term “prediction event” as used in Phillips.

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<sup>2</sup> See, for example and without limitation, Claims 1, 17, 21, 29, 37, 44: “developing a data structure, by use of a computer system, including one or more assumed variables that have an influence on a/the future financial value stream of the business enterprise and *at least one future or past event linked to each assumed variable that influences the corresponding assumed variable*”; Claim 9: “developing a data structure, by use of a computer system, including a plurality of future financial value streams, each future financial value stream having one or more assumed variables that have an influence on a future financial value stream of the business enterprise *and at least one future or past event linked to each assumed variable that influences the corresponding assumed variable...*”

A “prediction” is a statement about the future that the predictor believes to be true. Someone making a prediction is in effect saying: “I believe that in the future the value of ‘x’ will be ‘y’.” For instance, a forecaster might predict that the stock price of XYZ Company will be \$50 in three months time.

By contrast, an “assumption” (or “assumed variable”) is postulated as a hypothesis. Someone who specifies an “assumed variable” in a model is in effect saying: “If I assume that the value of ‘x’ is ‘y’, what is the implication for ‘z’?” For example, a mathematician might say: “if  $z = 3 + x$ , and I assume that the value of  $x = 2$ , then the implication is that  $z$  would equal 5.” Clearly, in this example, the mathematician is not predicting that the value of  $x = 2$ , but rather exploring the implication for  $z$  of making that assumption.

The claimed inventions analyze value creation over time for the value streams of a business enterprise based on a data structure in which assumed variables are linked to one or more events. The purpose of linking the assumed variables to events is not to make “predictions” concerning the assumed variables, but rather to enable the users of the system to analyze the implications for the value creation potential of the enterprise as events occur or do not occur.<sup>3</sup>

Phillips does not disclose or suggest linking assumed variables to the occurrence or non-occurrence of one or more future events to analyze the impact of events on the future value of the corporation or commodity. By contrast, Phillips describes methods for combining the predictions of various forecasters into a combination forecast based on

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<sup>3</sup> For example and without limitation, by linking each assumed variable to events, as one moves forward in time, it will eventually be possible to convert every variable in the data structure from an “assumption” to a “certainty.” In other words, as the events specified in the data structure occur or do not occur, it becomes possible to adjust the linked “assumptions” to “actuals.” The “calculation of a second present value of a future financial value stream taking into account the one or more assumed variables that changed in response to the occurrence or non-occurrence of the one or more of the future events” is not based on a prediction. Rather, it is based on converting what was previously an “assumption” or hypothesis into an “actual”, based on whether the event to which the assumed variable is linked occurred, or did not occur, in accordance with the assumptions in the data structure.

clustering the forecasters into groups based on statistical analysis related to the accuracy of prior forecasts.

The first cited reference provided by the examiner (C25, L24-36) is a commentary on Figure 5A of the Phillips specification, which shows a graph for predicting the value of a particular stock. The cited text simply explains that the referenced graph includes historical values of the stock, and bands which indicate predicted future values of the stock. There is nothing in this cited reference that relates to linking assumed variables to events, or tracking the impact on the assumed variables of the occurrence or non-occurrence of events.

The second cited reference provided by the examiner (C64, L36 to C66, L7) includes Claims 34, 35 and 36 of the Phillips specification. The claims relate to methods for producing combination forecasts for a “prediction event,” which is a contest or occasion in which multiple forecasters provide their predictions with respect to a value of a financial and/or economic measure.

Claim 34 refers to methods in which the statistical data used to cluster the forecasters are calculated only with respect to the forecasters who have participated in a given prediction event (e.g., contest).

Claim 35 refers to methods for providing combination forecasts from a group of forecasters based on clustering them into groups using statistical techniques based on their track record in previous prediction events or contests. Claim 36 refers to an apparatus that accomplishes the methods referred to in Claim 35.

There is no relationship or similarity whatsoever between the term “prediction event” used in Phillips, and the term “event” used in the claimed inventions. A prediction event in Phillips is an occasion (such as a contest) in which multiple forecasters make predictions concerning the same financial and/or economic measure. This is not relevant to the term “event” as used in the claimed inventions. For example, the “prediction events” in Phillips do not have any relation to or effect on a future financial value stream of a business enterprise. Furthermore, these “prediction events” are not linked to or influence any assumed

variables in a data structure, as required by all of the claims. Clearly, the Examiner's tortured application of Phillips cannot supply any of the limitations that are missing from Eder concerning the relationship between events, assumed variables and future financial value streams. For at least these reasons, Applicant requests the Examiner to withdraw all rejections of the pending claims.

Finally, the Examiner has not cited any objective evidence on record of a motivation to combine Eder with Phillips (and/or Pilopovic) in the proposed manner. For this additional reason, the Examiner's rejections are insufficient to meet the requirements of 35 U.S.C. §103 and should be withdrawn.

### CONCLUSIONS

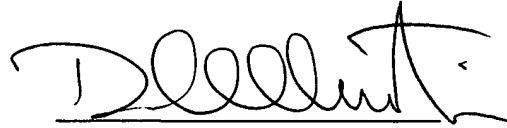
Applicant's invention is both novel and nonobvious over Eder, Pilopovic and Phillips for all of the various reasons set forth above and in previous amendments and responses. Eder, Pilopovic and Phillips do not teach each and every element of any of Applicant's claimed inventions.

For all of these reasons, Applicant respectfully asserts that all of claims 1-52 are now in condition for allowance. The Examiner's early reconsideration is respectfully requested. If the Examiner has any questions, the Examiner is invited to contact Applicant's attorney at the following address or telephone number:

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Attorney Docket Number 2101197-991100

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'D. Alberti', written over a horizontal line.

David Alberti  
Reg. No. 43,465

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